Maxwell H. Elliott, Esq. General Counsel General Services Administration Washington 25, D. C.

Dear Mr. Elliott:

As I stated to you and to Senator Eastland's Committee this morning, we have reviewed the one document in the Morganthau library papers with which we are concerned. It is an OSS report of 1942 containing notes on interviews with Chinese leaders. As custodians of the OSS records, we are responsible for custody and security and having reviewed this report, we have declassified it to non-classified status.

Furthermore, on reviewing its contents, we believe there is no reason why it should not be released to the Committee. Briefly, the comments are those of Chinese military and civilian leaders giving their views on the world situation, Chinese capabilities, and the relations with the Chinese Communists. American and British aid are discussed and the difference between American and British loan practices are mentioned. A few comments particularly about the British might be made into some propaganda by the Chinese Communists but it appears that any ensuing embarrassment would be very slight.

We are retaining the copy you furnished us at this time but if you need it let me know by telephone.

Sincerely,

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LAWRENCE R. HOUSTON General Counsel

OGC/LRH:mks

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